Tectum Blockchain and Softnote Whitepaper

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INTRODUCTION

This whitepaper has been written as an overview of the problems overcome by and solutions offered by the Tectum blockchain and Softnote product. It will start with a brief historical overview of the philosophy and pragmatism of previous western monetary systems. It will evaluate their chronological progress, strengths and benefits of each stage. The document will then cover a brief overview of the blockchain and softnote product followed with an overview of Tectums 3 major competitors: Swift, Ripple and the Lightning Network. It will outline the benefits and drawbacks of each system demonstrating a major problem with the current market solutions. It will then evaluate competing cryptocurrencies that have a high speed an low latency structure and thus classified as industry competitors to Tectum.

This document will then evaluate the Tectum project as a solution to the highlighted problems. It will highlight the size of the market and thus the importance of finding a solution to current market shortfalls. The competitive advantage that Tecutm offers over competitors as it relates to the current market will then be detailed. This document will then conclude with an overview of the technical aspects of the Blockchain, its consensus mechanism and its measurables. It will then outline the technical structure of the Softnote inclusive of instructive steps on accepting or sending a Softnote payment off wallet. This white paper will conclude with the TET token description and tokenomics and specifying the traction that the Softnote, Blockchain, Wallet and token have accomplished thus far.

THE PROBLEM WITH CURRENT MONETARY SYSTEMS

Monetary System Requirements

A perfect monetary system should have four main features: security, to prevent counterfeiting and theft, scalability, to enable the system to be used worldwide, fungibility to allow for each unit of currency to have the same value, and decentralisation of control, to avoid manipulation for political gain and the endless temptation by issuers to create more currency. Many monetary systems have arisen over the years, but none, until now, have fulfilled all these requirements.

Gold Currency System

Historically, exchange of value was conducted in the form of precious metals such as gold and silver. This physical gold system had high security, as it was impossible for any one person to counterfeit gold, high decentralization, as no individual was in control of the supply, high transparency, total fungibility, but low scalability due to gold transactions being inconvenient due to their weight, size and indivisibility.

Gold standard

To increase scalability, in 1871 the 'gold standard' was created where lighter representations of gold were created in the form of banknotes, that were redeemable for gold and were able to be issued by central banks. The notes were created and handled by banks who stored the backing gold and printed the notes. This system had high security, from the consistent value of gold, high decentralization in theory, as gold was still determining the value of the notes, high scalability, as it was much easier and faster to trade notes but low transparency, but low fungibility as banks didn't declare how much gold they owned and show proof of their reserves. Banks succumbed to the eternal temptation to print currency for which there was no real backing, and therefore eroded trust in the system.

Federal reserve

In 1913 the US Federal Reserve was created, which is a private institution that controls all printing of US currency, however, at its inception, each US dollar was backed with a defined amount of gold, physically stored in the federal reserve vaults. This system still had high security, from the secure nature of gold, high scalability, as the notes could now be obtained and exchanged more easily, high transparency, as the federal reserve declared how much gold they had stored and how many notes they were printing. However, it suffered from low decentralization as the federal reserve was in complete control of the printing of notes, and thus susceptible to coercion and control. Because of this centralization, over time the federal reserve was able to leave the gold standard and no longer had any backing for banknotes, leading to the modern fiat financial system we see today. The integration of digital banking improved scalability with high transaction speeds facilitated by many private banks using modern networking protocols, however the public lost trust in the Federal Reserve's ability to manage money supply responsibly, most notably demonstrated by the dramatic increases in M2 money supply seen since 2020. In addition, fractional reserve banking is now allowed where only 10% of depositor funds are kept as a liquidity measure and 90% can be invested by the banks. This practice causes an increase in the money supply. It also causes banks to be insolvent during an economic crisis as depositors attempt to withdraw their money from a risky bank and are unable to. During the 2008 recession the practice of bail-ins were allowed whereby an insolvent bank can seize customer deposits and convert them to equity. In 2020 the US Federal Reserve lowered the reserve requirement to 0%.

Bitcoin

In 2009 Bitcoin was created to overcome this centralization issue, and is known as 'digital gold'. The bitcoin protocol is highly secure and has never been hacked, despite enormous incentive by governments and private entities to do so. It has high decentralization as it is impossible for one actor to take control of the network or protocol in isolation, and high fungibility as Bitcoins are all identical. Unfortunately, just like real Gold, bitcoin lacks scalability as the bitcoin system can only facilitate 7 transactions per second. Numerous other cryptocurrencies have attempted to overcome the scalability issue of Bitcoin, but none have succeeded in replicating its other attributes.

Blockchain and SoftNote: An Innovative Global Payments Solution

Introducing Softnotes, a system designed to ameliorate the scalability issues of Bitcoin whilst preserving its pristine positive qualities. In 2020 SoftNote were invented, Softnotes are digital banknotes that represent ownership of Bitcoin wallets and carry access to Bitcoin inside, fully visible on any Bitcoin explorer. Softnotes are transported on the fastest blockchain in the world - Tectum. The SoftNote system possesses the decentralization, security and transparency of Bitcoin but also offers high scalability from the lighting-fast tectum blockchain. As a result, Bitcoin can now be transferred instantly, anywhere, without fees or delays. Softnotes holding Bitcoin are truly the ultimate monetary system.

COMPETING SYSTEMS

Due to the fact that SoftNotes offers both fiat and cryptocurrency a system whereby transactions can be made instantly and for free regardless of the size, naturally three main competitors arise. These are the SWIFT payment system, Ripple/XRP and The Lightning Network.

SWIFT

SWIFT- Society for Worldwide Interbank Financial Telecommunications is a member-owned cooperative headquartered in Belgium, connects approximately 11,000 banking and securities organizations in more than 200 countries and territories, maintains an active presence in all major financial centres, is only a messaging network and does not hold funds or manage member accounts, is controlled by central banks from the G10 countries, used to impose political/economic sanctions on their own member banks in countries like Iran and Russia, pushes the "need for regulatory attention to prevent a new form of intermediation and potentially monopolistic behaviour", is a centralized messaging database that requires a high degree of trust compared to immutable blockchain data.

2021 Statistics:

SWIFT link member institutions sent an average of 42 million messages per day through the network, has 40,000 active payment routing channels to 4 billion bank accounts, cross-border payments take a median time of 90 minutes, generated €53M net (0.6%) on €894M gross for 2021

Ripple

Various attempts using cryptocurrencies to disrupt Swift's monopoly on cross border payment facilitation, fast settlement of financial transactions and currency pair swaps have been made with varying degrees of success. The Swift system was developed in the 1970s and is widely considered to be slow, expensive, and antiquated in its application and is ripe for disruption. The most notable application of cryptocurrency technologies to disrupt this space has been by Ripple Labs, who have developed a suite of technologies designed to replace Swift at a protocol level and modernise international financial settlements.

Ripple Labs has several products that can be utilised together or independently including 'xCurrent' and 'xRapid' in addition to its native token XRP. xRapid allows for real-time settlement of cross border transactions in a fraction of the time of the traditional Swift system by facilitating a XRP/fiat/XRP swap with real time exchange rates and guaranteed liquidity and utilises xCurrent as part of this process. xCurrent when used in isolation from xRapid helps to speed up fiat/fiat swaps by streamlining the messaging protocol process between both parties by connecting to legacy nostro and vostro accounts.

Whilst Ripple's technology is impressive there are many flaws in its design and execution that make remittances and cross border payments utilising Tectum's SoftNote system and Bitcoin superior.

Firstly, from an investor's perspective XRP itself could be argued to be not needed, or at least, is token value agnostic. The liquidity of the XRP token is what allows the Ripple technology to facilitate payments, not the value of the token itself, and for this reason, the XRP token struggles to accrue value.

As a result of XRP having little utility in and of itself, the price is highly volatile and therefore institutions are not incentivised to hold the token other than for the duration of the liquidity provision process, they may opt to not hold the token at all and leave the provision of liquidity to exchange service providers.

Bitcoin offers a better store of value. Bitcoin is widely regarded as the premier crypto asset, and therefore has the most intrinsic value and liquidity. If the option to utilise Bitcoin locked up within Softnotes to facilitate instant remittance payments and exists, there is no reason to choose XRP.

CBDCs undercut XRP's use case, however it is likely Bitcoin will strengthen as a result of the introduction of CBDCs as individuals and institutions seek autonomy and privacy.

XRP is highly centralised. Ripple Labs has complete control over the XRP ledger protocol as well as their other products and therefore exposes users to counterparty risk. Bitcoin has no such risk, and Softnotes are also decentralised in application shielding users from regulatory risk and manipulation.

XRP has many fees that may not be apparent to users in the first instance. Bitcoin once moved into the Softnote system can be moved for free, and the creation of a Softnote has a one-time minting fee clearly visible to users.

Ripple issues XRP and can create more. Bitcoin on the other hand has a hard cap of 21 million, and Tectum's native token TET (used to mint new Softnotes) is hard capped at 10 million tokens. Furthermore, TET is only used to mint new Softnotes and is not required after this point.

The Lightning Network

Lightning Network-Problems Lightning Network (LN) is a layer-2 solution built on top of Bitcoin. LN was created in response to scalability issues--the speed and cost of Bitcoin transactions. LN works by setting up a payment channel between two parties, where only the first and last transaction are put on the Bitcoin blockchain. Any number of transactions between the first and last will happen off chain, which means those transactions are not limited by the Bitcoin protocol. To start a payment channel, both parties must commit an amount of Bitcoin. That Bitcoin is held and cannot be released as long as the payment channel remains open. The total amount of Bitcoin that can be transferred through this channel is limited by the total amount of Bitcoin committed. The initial BTC commitment requires time and expense. Subsequent transactions can only take place between those channels. Since LN is mostly targeted at micro-transactions through LN-enabled wallets, which are not very user friendly. This aspect has been confirmed to us by several LN wallet holders in El Salvador. LN has been faced with several vulnerabilities. These include: Griefing attacks: Funds aren't lost, but it causes the victim's Lightning funds to be frozen so that the payment channel cannot process any transactions; Flood and loot: Attackers force many victims to claim their funds from the blockchain at the same time (flood). The attacker uses this congestion to steal funds that were unable to be claimed before the deadline (loot); Time-dilation attacks: An attacker lengthens the time a victim becomes aware of new blocks by delaying block delivery; Pinning attacks: An attacker tricks a victim into closing their LN channel improperly and steals individual transactions.

SoftNote doesn't have the issues of:

- Payment channels BTC Commitment requirements
- LN vulnerabilities/attacks
- Off chain channel transactions that aren't written to the BTC blockchain

Current Cryptocurrencies

There are currently over 12,000 'cryptocurrencies' in existence. Most of these cryptocurrencies, however, are tokens existing on layer one smart contract capable blockchains such as Solana, Ethereum, Tron, Binance Smart Chain and Polygon and vary wildly in their utility and real-world value. The number of true layer-one blockchain projects in existence is relatively small, and the number of projects with any real-world adoption is even smaller.

Broadly speaking cryptocurrencies can be split into two camps: Cryptocurrencies that act like money such as Bitcoin, Litecoin and Monero. And smart contract platforms such as Ethereum and Solana where the native token is used to pay network fees and are less analogous to digital money and more like general purpose computing platforms. All distributed ledger technologies face the same challenges with respect to the trade-offs they must make balancing speed and scalability with security and decentralisation. This challenge is represented by the 'blockchain trilemma' first coined by Vitalik Buterin. The trilemma juxtaposes the three central tenets of blockchain architecture:

Decentralised: blockchains should have no single point of failure or control

Scalable: the system needs to be able to handle a variable volume of transactions, and ideally grow its transactions per second (TPS) over time

Secure: the blockchain should be immutable, able to resist technological or economic attack by malicious actors and be cryptographically secure

The trilemma asserts that to maximise one or two of the above factors, an inherent trade-off with the remaining factor must occur. Increasing scalability leads to more centralisation of the system. Bitcoin, and Ethereum (prior to its transition to Proof-of-Stake) prioritised decentralisation and security over scalability, making them immutable and highly secure, but meaning that they can only process 7 and 15 transactions per second (TPS) respectively. Speeds in the hundreds of thousands to millions of transactions per second are required to underpin a global financial system, making these legacy chains unsuitable for this purpose on their own. New competitors such as Solana and Tron increase TPS metrics hugely, but trade off on decentralisation to achieve this, but even these newer blockchains have not reached the processing and finality speeds necessary to truly challenge centralised architecture.

The Solution

Tectum's new Bitcoin scaling solution "Softnotes", provides Bitcoin with a viable method to scale to hundreds of thousands or even more than a million transactions per second. Softnotes take a radically different approach to competitive Bitcoin scaling solutions such as the Lightning Network, and as a result suffer none of its limitations.

Tectum in comparison to these prior technologies is capable of operating speeds far in excess of existing fast chains and can use its unique network architecture and speed to assist other blockchains such as Bitcoin scale with its 'overlay network' functionality and Softnote platform, which allows Bitcoin to be used as a medium of exchange with an unbounded TPS capacity. Tectum can come to fully decentralised consensus at over 1 million TPS, far eclipsing the speeds possible on other modern chains such as Solana, Avalanche or Polygon. Second, despite its blistering speed, the chain incorporates distributed database functionality using its 'Hashdrive' technology, making it capable of replicating and storing vast volumes of data, without needing to store the data in the main chain's block space, crowding out other transactions. This makes Tectum capable of data storage, limited only by the total available drive space of the chain's available nodes.

The Softnote platform has several advantages over competing BTC scaling solutions such as the Lightning Network. Firstly, the Softnote system is significantly simpler in its design than Lightning, with therefore less points of failure and vulnerability. In addition, Softnotes add a layer of privacy to Bitcoin that the Lightning Network cannot match, owing to transactions not needing to be ultimately settled on the main BTC chain, and not involving Lightning watchtower nodes. Finally, since Softnotes do away with the traditional batching methodology of layer twos and replace it with an approach involving transfer of ownership of Bitcoin wallets, they may happen independently of an internet connection, with final cryptographic finality being made later when internet becomes available.

A Softnote is essentially a bearer instrument representing ownership of a Bitcoin wallet address, or some amount of BTC liquidity sitting within a wallet address. Softnotes are pre-filled with a defined amount of liquidity to be transferred at lightning speed using the Tectum blockchain. Once hand over

of the Softnote QR image and a six-digit pin occurs either via email, mobile, or even printed on paper, the new owner secures their ownership cryptographically by entering the pin into the Softnote platform, and a new random pin will be generated known only to them. Since this handover has taken place off chain, it is virtually frictionless, and also untraceable and anonymous.

This means that Bitcoin can be used in a peer-to-peer manner, with ownership moving off the main Bitcoin chain, speeding up its processing speed to a virtually unbounded capacity and with zero fees.

The Market

Deloitte survey found that 75% of retailers plan to accept cryptocurrency in the next two years.

The novel nature of the Softnote business model, for the purpose of mass adoption, replicates many features found in the popular digital cash systems. Unlike traditional cryptocurrency models, softnote transactions only charge the retail recipient.

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Market Size

In 2021, the total number of non-cash retail transactions in the European Union was 114.2 billion in number, with a total value of 197 trillion euros (European Central Bank, 2022); US Retail e-commerce in 2020 was-USD 703B (NAICS 4541); Global Retail e-commerce for 2021 was USD 14.3T (Yahoo Finance). There are two countries where crypto has been given legal tender status- El Salvador and the Central African Republic. Countries moving towards making Crypto legal tender have been in the media, they include: Lugano District (Switzerland), Panama, Venezuela, Honduras, Portugal, Paraguay, Argentina. Refugees from various nations and regions have by necessity used crypto wallets to convert their home country real assets into cryptocurrencies that are fungible anywhere they seek refuge. (cryptoaltruism.org). P2P Crypto platforms such as Paxful have understood the need for and use of crypto to hedge local inflation and rural areas without banking services. The Global Crypto ATM Market was valued at USD 245.3 Million in 2021 and is expected to reach USD 820.14 Million by 2030, growing at a CAGR of 54.2% during 2021-2030. A Deloitte survey found that 75% of retailers plan to accept cryptocurrency in the next two years.

The Tectum Network is ready to use the functioning SoftNote product to digitize and globalize any country's fiat currency in 3-6 months. SoftNotes can displace current digital payment systems for speed, security and cost. SoftNote is a payment system that functions as a secure bearer bond in a digital smart contract form factor. The novel nature of the SoftNote business model, for the purpose of mass adoption, replicates many features found in the popular digital cash systems. Unlike traditional cryptocurrency models, SoftNote transactions only charge the retail recipient.

Competitive Advantages

The Tectum blockchain has two major advantages over competitive layer one protocols. Firstly, its speed - Tectum can come to fully decentralised consensus at over 1 million TPS, far eclipsing the

speeds possible on other modern chains such as Solana, Avalanche or Polygon. Second, despite its blistering speed, the chain incorporates distributed database functionality using its 'Hashdrive' technology, making it capable of replicating and storing vast volumes of data, without needing to store the data in the main chain's block space, crowding out other transactions. This makes Tectum capable of data storage, limited only by the total available drive space of the chain's available nodes.

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TECTUM BLOCKCHAIN AND SOFTNOTE

Tectum Blockchain

Tectum's new fourth-generation layer one smart contract platform is the world's fastest operational blockchain and adds a layer of interoperability, scalability, and utility that renders older smart contract capable blockchains obsolete. Tectum is designed with a totally original architecture to consistently achieve fully decentralised consensus at 1 million transactions per second and has achieved terminal network speed of 1.38 million TPS under load with nodes covering three continents during stress testing. Tectum's block size is only 120 bytes, as opposed to other chains where block size can be multiple Megabytes. Tectum's unique architecture means that each block contains the hash of only one transaction. Tectum is therefore the fastest blockchain both on a transaction per second, and a block per second basis.

Underlying Tech

Tectum's blockchain has three tiers. The top tier forming a stack of transactions ending with a hash of the last block, the middle tier distributing the transaction stack throughout the network, forming blocks, and forming consensus, and the lower tier replicating and storing bulk volumes of data as a decentralised database. This bottom tier incorporates Tectum's 'Hashdrive' technology, which allows for efficient retrieval of stored data and is optimised to allow calls from smart contracts occurring in levels one and two to occur without performance impacts to the rest of the chain.

Tectum's consensus mechanism is known as 'Proof-of-Utility'. It could be described as a 'proof of useful work' in that it does not waste resources with unproductive and energy intensive computation. Work in this context entails each node provably contributing more resources than it consumes and is comprised of useful actions such as maintaining network connectivity, creating new peer to peer node connections, ensuring low network latency, forming consensus between nodes and validating hashes generated by the randomly chosen master node which cycles on a second-to-second basis.

Tectum's speed and flexibility give it the ability to function as an 'overlay network' to other blockchains and is already fully interoperable with Bitcoin. Tectum has a built in Bitcoin node which allows it to interact directly with the Bitcoin protocol, adding scaling through its flagship application the 'Softnote' platform. Softnotes run on a dedicated 'transport layer' incorporated into the chain architecture to ensure that Softnote transactions may run in parallel to other activities on chain.

Tectum's flagship Fintech product – SoftNote is an amalgamation of smart contracts deployed to the Tectum blockchain, the Tectum Wallet and Tectum's in-built Bitcoin Node. These technologies work together to allow Bitcoin liquidity to be moved seamlessly into and out of Tectum Wallets and Softnotes, which necessary events being recorded on the Bitcoin main chain, and visible on any Bitcoin explorer. Softnotes allow users to easily verify that their Bitcoin liquidity is present and safe whilst tied to a Softnote.

The SoftNote

The SoftNote bill is the Flagship product of Tectum's service and product offerings. It is a digital product representing a store of value; however, when unfilled with currency, it has no intrinsic value. SoftNote bills are categorised and distinguished by unique serial numbers and denominations. When TET is used to mint SoftNotes, the user is given unfilled SoftNote bills, which must later be filled with liquidity if intended to function. The SoftNote system creates the ability to penetrate the retail market with cryptocurrency payments and can be regarded as 'the first transactionless payment system'. This transactionless nature facilitates instant payment capabilities and a zero-fee policy for the end user. We define transactionless as referring to the fact that no recording of traditional transactional data takes place on the Tectum network. The SoftNote in 'non-wallet' form also demonstrates most traditional 'physical cash' properties. It can be printed on paper, doesn't require the confirmation of its native network (for example, Bitcoin), does not require the internet to conduct payments and has no sender fees or geographical boundaries.

Furthermore, it can be used as a payment on a person-to-person basis or through a messenger application such as WhatsApp as a picture file. However, unlike physical cash, it utilises a passcode for transfer purposes and thus disables it from being accessed by an unauthorised possessor. On the wallet, SoftNote bills function digital cash-like manner and therefore intuitive person-to-person transfers can take place.

The Softnote Composition

The SoftNote, or "SN Bill", is an end-to-end (intermediary-free) payment transmission system that utilizes encryption, storage and transmission technologies from our latest generation of Blockchain.

As an internet product, each SoftNote has a dedicated web page detailing all information about the asset it represents and its movements without being linked to the current possessor or user.

As a privacy product, each SoftNote is assigned to a Crypto/Digital wallet which carries no information about the current holder.

As a financial product, a SoftNote is a digital, filled, non-divisible, transferable letter of credit that is not tied to any traditional banking systems and operates on a 'bearer' as opposed to a basic basis.

The SoftNote therefore is:

Digital because each SoftNote is an encrypted digital vessel containing critical information about, and access to, the asset it represents.

Filled because each SoftNote is assigned a Crypto/Digital wallet with full rights of access to it for the holder of the current Code/Password.

Indivisible as each SoftNote has a fixed denomination precisely like a paper bill.

Transferable because it possesses the capacity to be transferred from wallet to wallet, messenger to messenger and hand to hand as a means of payment.

Bearer-based because the only proof of the right to use a SoftNote is the presence of a dynamic, random password or code automatically generated by the system when a SoftNote is received.

As a digital product, the SoftNote is the container and the transporter of the critical and ultimate information of the asset it represents and should be regarded as the holder of that asset, accordingly:

As a legal product, each SoftNote is the digital possessor and the holder of the asset in that denomination.

As a means of payment, a Note may be transferred by several methods:

Electronically: payment can be sent via any messenger application, email, or between two SoftNote wallets.

Without Internet access: payment can be accepted by calling the automatic 800 phoneline and entering the serial number of the payment and the password code.

Physically: a SoftNote can be printed on paper and transferred as a physical payment from one user to another, thus becoming a natural alternative to physical money.

Commercially: The SoftNote is currently in open testing mode based on Crypto Assets and needs access to traditional financial environments and capital in order to gain entry to mass markets.

Softnote Bill Instructions

1. Go to https://softnote.cash/ or scan the QR code from the bill and follow the link in the following form https://softnote.cash/en/tron/trc20/usdt/19.

2. After following the link https://softnote.cash/, enter the number of the bill you want to transfer, view or accept as payment.

For example: 1000000000000147, 1 is the currency code and 147 is the bill number. In the example, code 1 is Bitcoin; 3000000000000358, code 3 is digital USDT, 358 is the bill number.

3. Once you have selected the Bill, click Submit. Send the link to the bill and separately the 6-digit Passcode any way you like. Without the 6-digit Passcode, the recipient will not be able to accept the bill.

4. Press "Accept" to accept the bill. Enter the 6-digit password code and press "Accept payment".

5. Save your new 6-digit Code-Password and the number of your bill in any convenient way. The 6-digit Code-Password is your proof of ownership of the SoftNote bill. Transferring the Code-Password entails an irrevocable transfer of ownership of the Note.

Example of the bills

DIGITAL U.S. DOLLAR:

Bill page: https://softnote.cash/en/tron/trc20/usdt/45

Serial Number: 000300000000045

Denomination: 5.00 USD

BITCOIN BILL:

Bill page: https://softnote.cash/en/bitcoin/sch256/btc/56

Serial Number: 0000100000000056

Face value: 0.00001 BTC

TET TOKENOMICS: AN OVERVIEW

In order to mint or create a SoftNote product, the Tectum Token (TET) token must be used through a smart contract mechanism regardless of the currency of the SoftNote.

TET Source

The TET token is sourced from the Tectum blockchain and, when applied thereto, has the capacity to mint SoftNote Bills; the TET token is a mint token and thus is the only way to mint SoftNote Bills. Moreover, all products offered by Tectum have the Tectum blockchain as their native network.

Release Mechanism

TET is a fixed release token with a Hard Cap of 10 million TET. TET was initially released by Tectum in their presale and hosted on their website: www.tectum.io. It is then planned to be released on a centralised exchange in the fourth quarter of 2022.

TET Pricing Strategy

The initial purchase price is determined at $7.60 per token. The Token Presale price on the website started at a discounted rate of 1.00 USD and continued on the following schedule:

- 0-2,500,000 TET at $1.00
- 2,500,000-3,000,000 TET at $2.00
- 3,000,000-3,500,000 TET at $2.50
- 3,500,000-4,000,000 TET at $2.50
- 4,000,000-4,500,000 TET at $3.00
- 4,500,000-5,000,000 TET at $3.50
- 5,000,000-5,500,000 TET at $4.00
- 5,500,000-6,000,000 TET at $4.50
- 6,000,000-6,500,000 TET at $5.00
- 6,500,000-7,000,000 TET at $5.50
- 7,000,000-7,500,000 TET at $6.00
- 7,500,000-8,000,000 TET at $6.50
- 8,000,000-8,500,000 TET at $7.00
- 8,500,000-9,000,000 TET at $7.50
- 9,000,000 onward $7.60

At the point of listing on an exchange, the listing price will be determined by the volume sales stage to which the presale has reached.

TET As A Utility Token

TET has been designed to control the process of the creation or minting of SoftNote bills. Such bills can only be minted by the utilisation of TET. The SoftNote bill minting process is conducted via Tectum as a company or the SoftNote wallet apps and by swapping TET for a pack of 100 SoftNotes bills. The user is then registered on the Tectum blockchain as the minter of those specific SoftNote bills. TET, therefore, has also functioned as a fundraising mechanism to facilitate the development of the SoftNote payment system. This has been accomplished through Tectum's token presale and future exchange listings.

Re-circulation Release Mechanism

Once a TET has been utilised for minting or emission purposes by a user to create SoftNote bills, that specific TET can then be re-released to the market by Tectum. This re-release mechanism functions on a formula that responds to market demand. Therefore, the TET released is equivocal to enable or encourage the further minting of SoftNote bills so as to meet the extent of demand for SoftNote bills on the market at that particular point in time. Therefore, TET has the capacity to rotate cyclically when concerning its utility of purchasing SoftNotes on the Tectum network.

TET Token Categorical Classification

Although it previously has been advocated that any coin or token that is founded on a native blockchain should be regarded as a coin, it is the conviction of this paper that such a conclusion is

technically inaccurate concerning traditional blockchain definitions. Traditional definitions stipulate that a blockchain can only consist of one true coin and all assets further to this, built on the same blockchain should be considered tokens (Subburaj, 2022). Furthermore, regarding these assets, when built on the same blockchain, the one to which the classification of the coin is ascribed is determined chronologically and functionally. The first asset on the blockchain to function as the medium by which fees are paid by further assets or projects is considered the 'native coin' (Michael, 2021). Concerning the tectum blockchain, TEC (Tectum Enumeration Coin) was created first for the purpose of fee processing. TET was a latter addition and functions as a tradable token inclusive of smart contract capacities to control its use and processing. Therefore, TEC is considered the coin representing the Tectum blockchain and TET is categorized as a tradable token relating to the blockchain.

TET Token Legal Classification

TET utility functions as an avenue to mint SoftNote bills, a SoftNote bill is merely a product of the Tectum blockchain. They do not represent or constitute a legal shareholding or equity ownership of CrispMind, or any related business entity, nor does the TET token itself.

CorpGov Law Havard (2018) defines a utility token as a digital asset sold 'to be used to purchase a good or service available through the network on which it was created'. Such a definition can be accurately assigned to the functioning of the TET token as it is being sold from the company that owns the network (Tectum) on which it was created (the Tecum Blockchain) to enable users to purchase a product (SoftNote bills) which also function on the network which TET was created.

A SoftNote cannot be considered a security asset as when it is unfilled by finances, it represents no intrinsic value. Although it has the capacity to produce value, such is only manifest when a currency is applied to it. Therefore, it functions for all definitional purposes as a true product.

Finally, the non-security nature of TET is supported by the fact that its profit generation has no direct or correlative connection with the success of Tectum or the SoftNote system (Ometoruwa, 2021). In fact, it is foreseeable that TET may have the same price even as SoftNote utilization or the value of CrispMind increases by multiples due to the re-circulation concept detailed above. This meets the clauses of a non-security asset as defined by an 'AP's influence on the profit of an asset' within the Howey Analysis (SEC GOV, 2019). Furthermore, regardless of the extent or amount of ownership a user has of TET or SoftNote bills, they are in no capacity granted voting rights within CrispMind LTD (SphereInc, 2021).

Intellectual Property

All intellectual property relating to Tectum, the SoftNote system and TET belong to CrispMind Ltd, Chicago, IL. CrispMind was founded in 2019 by Alex Guseff and specialises in cutting-edge Fin-tech, cybersecurity, distributed ledger protocols & mobile application development.

TRACTION

The SoftNote Payment System targets both the Cryptocurrency and Fiat Currency market user base(merchants and consumers) by providing some of the solutions below:

- Bridging the gap between fiat and crypto payments with easily accessible crypto/fiat on-ramps and off-ramps (SoftNote Exchange);
- Isolating the complexities involved in acquiring, storing and utilising cryptocurrencies;
- Simplifying the hassles of using cryptocurrencies for settlements - especially micropayments, thereby making crypto feasible for general payments;
- Maintaining feeless and instant payments for non-business transactions (For select business transactions, only recipients may be charged); and
- Yielding SoftNote contributors (Liquidity providers, SoftNote Minters and Changers) passive rewards from fees.

Cryptocurrency adoption has been throttled significantly due to the complexity involved in utilising cryptocurrencies for payments- starting from the hassles of acquiring a cryptocurrency to spending it securely; censorship and restrictions in some jurisdictions; scalability issues etc. Our Technology is a perfect solution to these problems, such as our SoftNote market exchange which allows for seamless trading of SoftNotes, cryptocurrencies and fiat permissionless, thereby breaking the interoperability barrier of crypto and fiat, while giving our users the freedom of access to our products at any given time.

SoftNote has an edge over existing Digital-only payment systems, as it passively markets itself the more people get their hands on it, as SoftNote is printable and spendable like banknotes. we leverage this edge by physically sharing paper SoftNotes to the public for free, such as in Crypto Conferences, Meetups, campaigns, etc. As SoftNote is easily accessible, scalable and simple to use, existing or new crypto and fiat users can easily adopt this innovative technology.

CrispMind is currently running an incentivised partnership program for interested Merchants and Businesses willing to accept SoftNote. They've also partnered with Digital Marketing agencies to reach the right audience, while onboarding experienced regional representatives and ambassadors worldwide. They're also aiming to partner with Crypto-friendly institutions or Governments in the future, such as Grayscale, Microstrategy, the El salvadoran Government, etc. with cryptos on their Balance Sheets, in order to help them generate passive revenue on their assets, instead of relying on capital gains, while in turn risking almost nothing providing liquidity to minted SoftNote bills.

As of Q4, 2022, more than:

- 38,000 users have opened a Tectum Account
- 3,790,000 TET has been sold
- 26,000($78,000) TET has been spent Minting SoftNotes by users
- 733,000+ SoftNote Bills have been minted by users

Live metrics can be found at the following link: Tectum Metrics

Revenue Generation

- TET generated from SoftNote Minting and Liquidity providing fees.
- Advertising: SoftNote bills are webpages, which can host ads

- Fees generated from SoftNote bills in circulation, minted by Crispmind
- Fees generated by SoftNote bills in circulation, filled with liquidity by Crispmind
- Fees from Change Pools
- Fees from the SoftNote marketplace

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